

**STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF BUSINESS OVERSIGHT**

TO: Mckenzie - Black Investments, LLC
Homer Lynn Mckenzie
600 S. Curson #623
Los Angeles, California 90036

DESIST AND REFRAIN ORDER

(For violations of sections 25110 and 25401 of the Corporations Code)

The Commissioner of Business Oversight finds that:

1. At all relevant times herein, McKenzie-Black Investments, LLC ("MBI") is, or was, a Nevada corporation with its principal office located at 600 S. Curson #623, Los Angeles, California 90036.
2. At all relevant times herein, Homer Lynn McKenzie ("McKenzie") is, or was, the president and founder of MBI.
3. Since at least August 2011, MBI and McKenzie offered and sold securities in the form of investment contracts to the general public.
4. Beginning on or about August 12, 2011, MBI and McKenzie entered into an agreement with at least one investor offering among other things, to procure a line of credit for the investor in return for a fee of \$3,500.00. McKenzie and the investor executed an agreement described as a "Service Agreement Personal Lines of Credit (PLOC)" which stated that McKenzie and MBI would provide the investor: "The Leasing of a one year Stand by Letter of Credit issued by a top 50 World bank; The monetization/discount of that same instrument at 75% of \$4,000,000; This \$3,000,000 (75% of \$4,000,000) shall divided [sic] 50/50 between ... and McKenzie ; This shall require an Escrow deposit of \$50,000; There is no risk to the invested funds; Timeline for this 21 days [sic] and not to exceed 30 days." Despite McKenzie and MBI's promise of a return on the investor's investment, the investor only received a one-time payment of \$500.00. The investor never received the personal line of credit McKenzie and MBI promised.

1 5. These securities were offered or sold in this state in issuer transactions. The
2 Department of Business Oversight has not issued a permit or other form of qualification
3 authorizing any person to offer and sell these securities in this state.

4 6. McKenzie and MBI offered to sell and sold securities by means of written and oral
5 communications which included untrue statements of material facts and omitted to state material
6 facts necessary in order to make the statements made, in the light of the circumstances under
7 which they were made, not misleading. The misrepresentations and omissions include, but are
8 not limited to the following:

9 a. representing that the investor's money would be used to obtain "... Letter of Credit
10 issued by a top 50 World bank...", when in fact McKenzie used it for his personal use;

11 b. failing to disclose that McKenzie's real estate agent license had expired since
12 September 2009;

13 c. failing to disclose that McKenzie filed a Chapter 7 bankruptcy in 2005; and

14 d. failing to disclose that MBI's registration with Nevada Secretary of State had expired,
15 and as such, it may not be qualified to conduct business in California.

16 Based on the foregoing findings, the Commissioner of Business Oversight is of the opinion
17 that the securities in the form of investment contracts Mckenzie and MBI offered and sold are
18 securities subject to qualification under the California Corporate Securities Law of 1968, and are
19 being or have been offered or sold without being qualified, in violation of Section of 25110 of the
20 Corporate Securities Law of 1968.

21 7. Pursuant to Section 25532 of the Corporate Securities Law of 1968, Mckenzie- Black
22 Investments, LLC; and Homer Lynn Mckenzie are hereby ordered to desist and refrain from the
23 further offer or sale of any security in the State of California, including but not limited to, investment
24 contracts, unless and until qualification has been made under said law or unless exempt. The sale of
25 such securities is subject to qualification under said law and such securities are being or have been
26 offered for sale without first being so qualified.

27 8. Additionally, the Commissioner of Business Oversight is of the opinion that the
28 securities in the form of investment contracts offered or sold by Mckenzie- Black Investments, LLC;

1 and Homer Lynn Mckenzie were offered and sold in this state by means of written or oral
2 communications which included untrue statements of material facts or omitted to state material facts
3 necessary in order to make the statements made, in the light of the circumstances under which they
4 were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

5 9. Pursuant to Section 25532 of the Corporate Securities Law of 1968, Mckenzie- Black
6 Investments, LLC; and Homer Lynn Mckenzie are hereby ordered to desist and refrain from offering
7 or selling or buying any security in the State of California including, but not limited to, investment
8 contracts, by means of written or oral communication which includes an untrue statement of a
9 material fact or omits to state a material fact necessary in order to make the statements made, in the
10 light of the circumstances under which they were made, not misleading.

11 This Order is necessary, in the public interest, for the protection of investors and consistent
12 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

13 Dated: July 18, 2016
14 Los Angeles, California

15 JAN LYNN OWEN
16 Commissioner of Business Oversight

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18 By: _____
19 MARY ANN SMITH
20 Deputy Commissioner
21 Enforcement Division
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